

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

HD1761
2F3

FAS REPORT

United States
Department of
Agriculture

Foreign
Agricultural
Service

Washington, D.C. 20250

WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

WR 4-82

WASHINGTON, Jan. 27--The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following recent developments in world agriculture and trade:

GRAIN AND FEED

The SOVIET UNION omitted grain from its 1981 preliminary agricultural production data released Jan 23. Grain, which had a planned target of 236 million tons for the year was omitted from the plan fulfillment report for the first time since 1965. Cotton, reported at 9.6 million tons, was the only bright spot. The data released by the Soviets for 1981 are as follows in millions of tons.

| | <u>1981 Preliminary</u> | <u>1981 Plan</u> | <u>1980 Actual</u> |
|-------------|-----------------------------|----------------------|------------------------|
| Grain | N/A | 236.00 | 189.10 |
| Cotton, raw | 9.6 | 9.26 | 9.96 |
| Sunflowers | 4.6 | 6.4 | 4.65 |
| Sugar beets | 60.6 | N/A | 79.60 |
| Soybeans | N/A | 0.97 | 0.53 |
| Potatoes | 72.0 | 90.00 | 67.00 |
| Vegetables | 25.6 | 28.00 | 25.90 |

Livestock sector results for 1981 as reported in the Soviet plan fulfillment are as follows. (A year ago the preliminary meat production number was given as 15.1 million tons, but was revised later to 14.98 million tons.)

| | <u>1981 Preliminary</u> | <u>1980 Actual</u> | <u>1976-80 Average</u> |
|--|-----------------------------|------------------------|----------------------------|
| Meat (mil. tons) (Slaughter weight) | 15.2 | 15.0 | 14.8 |
| Milk (mil. tons) | 88.5 | 90.6 | 92.6 |
| Eggs (billions) | 70.9 | 67.8 | 63.1 |
| Wool (1,000 tons) | 454.0 | 461.0 | 460.0 |

-more-

MARY FRANCES CHUGG, Editor. Tel. (202) 382-9331. Additional copies may be obtained from FAS Information Services Staff, 5918-South, Washington, D.C. Tel. (202) 447-7937.

Soviet livestock herd numbers also were provided in the preliminary report. However, these numbers combined the socialized and private sectors, which in previous years were reported separately. No poultry numbers were given. The livestock numbers are as follows in millions of head.

| | <u>Jan. 1, 1982</u> | <u>Jan. 1, 1981</u> | <u>Jan. 1, 1976</u> |
|-----------------|---------------------|---------------------|---------------------|
| Cattle | 115.7 | 115.1 | 110.0 |
| Cows | 43.6 | 43.4 | 41.9 |
| Hogs | 73.2 | 73.4 | 57.9 |
| Sheep and goats | 148.0 | 147.5 | 147.1 |

In the SOVIET UNION, a recent agricultural journal outlined production targets for individual grains in 1985. Annual production of all grains during the 1981-85 period is to average 239 million tons, according to the plan. The data are as follows in millions of tons.

| | <u>1985 Plan</u> | <u>1976-80 Annual average</u> |
|-------------|----------------------|-----------------------------------|
| Wheat | 100.0 | 99.7 |
| Rye | 15.7 | 10.8 |
| Barley/oats | 87.0 | 72.1 |
| Corn | 19.0 | 9.6 |
| Millet | 3.6 | 2.2 |
| Buckwheat | 1.6 | 0.9 |
| Rice | 3.1 | 2.3 |
| Pulses | 14.0 | 6.9 |
| Other | 1.0 | 0.5 |
| Total grain | <u>245.0</u> | <u>205.0</u> |

DAIRY, LIVESTOCK AND POULTRY

The EUROPEAN COMMUNITY (EC) Commission has opened its high-quality beef quota for 1982, which includes the 10,000-ton U.S. share. Applications for import licenses were accepted by the Member States during the first ten days of January. The Commission will announce the number of licenses it will issue on Jan. 28. The quantity which may be imported during the first quarter has been fixed at 3,000 tons.

EAST GERMAN procurements of meat (hogs, cattle, sheep and chickens) during 1981 increased about 6 percent on a liveweight basis. Favorable weather and adequate feed supplies during most of the year contributed to the increased production. With less emphasis on increasing production in 1982, meat procurements are expected to decline about 3 percent. In recent years, procurements have accounted for over 95 percent of total meat production. The 1981-85 plan calls for 1985 meat procurements to be at 1982 forecast levels of 2.4 million tons (liveweight equivalent).

Compared with year earlier data, animal inventories at the end of October indicated changes of less than 1 percent for cattle, cows and hogs, a 6-percent increase for sheep and a decline of 3 percent for laying hens.

Milk procurements (about 95 percent of output) were up 1 percent in 1981, with similar growth expected in 1982. The 1985 plan is for a 1-percent increase, compared with the 1982 forecast of about 6.9 million tons.

Egg procurements (about 85 percent of output) were up nearly 4 percent in 1981. Procurements for 1982 are expected to decline about the same percentage. The planned production level for 1985 of just over 4.7 billion eggs is approximately the same as that forecast for 1982.

In AUSTRALIA, the U.S. agricultural counselor forecasts broiler production to decline again in 1982 as high feed costs have limited incentives to expand. Broiler output reached a peak in 1980 at 282,000 tons (16 percent over 1979) as good harvests and favorable feed costs, encouraged production. However, 1980's record production resulted in large carryover stocks. Also during 1981, red meat prices were competitive due to a drought-induced liquidation of sheep and cattle. This combination of factors put the broiler industry into a cost/price squeeze and production subsequently declined to 276,000 tons in 1981, a drop of about 2 percent.

HORTICULTURAL AND TROPICAL PRODUCTS

THE INTERNATIONAL COFFEE ORGANIZATION (ICO) executive board met in London Jan. 14-15 for the third time during coffee year 1981/82 (Oct.-Sept.). At this meeting, members further delayed action on requests for quota adjustments from a number of producing members, and discussed the need for collecting data on the net New York sale prices for Brazilian and Colombian coffees, but took no action.

Members also were informed that the matter of countries overshipping and undershipping coffee quotas during 1980/81 was being studied by the Secretariat. A discussion concerning the pace of progress toward modification of the 1976 International Coffee Agreement (ICA) also was on the agenda.

In addition, the Board listened to a request from Nicaragua for the freeport warehousing of 70,000 bags of coffee for safekeeping from guerrilla insurgents, heard attacks on Belgium, the Netherlands and Switzerland for raising taxes on coffee from Colombia and Brazil and blocked, at least temporarily, a downward adjustment in the consumer import limits from non-members.

In ZAIRE, a new system for distribution of ICO coffee export stamps for 1981/82 (Oct.-Sept.) was instituted in October 1981 by a stamp commission created by that country's Department of Agriculture. The new system is intended to avoid a repeat of 1980/81 abuses. With the concurrence of Zaire's coffee dealers, the commission retained the essential features of the previous system of allocating stamps on a first-come first-served basis.

-more

The key modifications call for a verification of the existence of coffee stocks registered by dealers. Previously, dealers would register non-existent stocks, then hold or sell the stamps.

Also, stamps must be used within a specified period of time to avoid forfeiture. This rule is intended to keep coffee exports moving and to prevent speculation in stamps. In addition, stamps will be issued first to dealers holding top-quality coffee. The intent of this measure is to provide an incentive to upgrade the quality of Zaire's coffee export, making the product more competitive on the world market.

Coffee dealers in Kinshasa and in the interior report that there has been noticeable improvement in the coffee marketing system since the new measures were implemented.

COCOA BEAN GRINDINGS in most major consuming countries are increasing as a result of abundant supplies, lower prices and a more favorable bean/product price ratio. U.S. cocoa bean grindings during the fourth quarter of 1981 totaled 47,059 tons, 11.1 percent greater than the corresponding 1980 period when grindings amounted to 42,368 tons. Total 1981 grind was 190,179 tons, one-third larger than the 142,212 tons in 1980.

West Germany's fourth quarter grind increased by 4.8 percent to 44,681 tons, bringing annual 1981 grindings to 159,440 tons, compared with the 1980 total of 151,217 tons. Grindings in the Netherlands and the United Kingdom also are expected to be higher in 1981.

In POLAND, the Ministry of Agriculture's preliminary estimate of 1981 potato production totaled 43.1 million tons from 2,258,000 hectares. Although this estimate is down nearly 2 million tons from the previous estimate, it is still significantly above the low level of 26.4 million tons produced in 1980.

In the SOUTHERN HEMISPHERE, output of deciduous fruit during the 1982 season is currently forecast at 3,481,000 tons, 2 percent above the 1981 volume. Apple crops in Chile and South Africa are expected to surpass the 1981 harvests by 17 and 12 percent, respectively. A record apple crop also is forecast for New Zealand. Significant increases of 71 percent are projected in the 1982 Argentine apricot crop and the table grape harvest in Chile is estimated to be up 31 percent.

-more-

In Australia, however, preliminary 1982 estimates indicate smaller output of all deciduous fruits except cherries. In the biennial bearing pattern, 1982 is an off-year.

The preliminary 1982 estimates for deciduous fruit and table grapes are as follows in 1,000 tons.

| | <u>Argentina</u> | <u>Chile</u> | <u>Australia</u> | <u>New Zealand</u> | <u>South Africa</u> | <u>Total</u> |
|--------------------------|------------------|--------------|------------------|--------------------|---------------------|--------------|
| Apples | 930 | 350 | 310 | 228 | 434 | 2,252 |
| Pears | 130 | 45 | 115 | 17 | 119 | 426 |
| Apricots | 20 | 16 | 28 | 7 | 27 | 98 |
| Cherries | 3 | 7 | 7 | 1 | 1/ | 18 |
| Peaches | 240 | 84 | 72 | 20 | 150 | 566 |
| Plums/Prunes | <u>70</u> | <u>17</u> | <u>18</u> | <u>4</u> | <u>12</u> | <u>121</u> |
| Total deciduous Fruit | 1,393 | 519 | 550 | 277 | 742 | 3,481 |
| Table grapes | 140 | 170 | 8 | 1/ | 62 | 380 |

1/ Negligible production.

For further details on 1982 production and revised 1981 data, contact Bernadine Baker, Foreign Production Estimates Division, FAS, USDA, (202) 382-8891.

TOBACCO

OMAN has imposed a 30-percent tariff on imports of cigarettes and tobacco products. The old tariff rate was 2 percent. The new duty applies to all shipments arriving on or after Jan. 1, including those that were still in port awaiting customs clearance. The tariff applies only to tobacco products consumed in Oman. The 30-percent duty will be refunded on any tobacco products re-exported.

The government announcement comes in the wake of a recent cigarette retail-price hike, resulting from increased manufacturers' production costs. It may be some time before consumers feel the full impact of the new duty, because local retailers may be hesitant to raise prices again right away.

In 1980, Oman imported \$24.7 million in manufactured tobacco products with the United Kingdom and United States supplying 48 percent and 41 percent, respectively. U.S. sales of \$10 million of tobacco products accounted for 10 percent of all U.S. exports to Oman during 1980. About 37 percent of Oman's 1980 manufactured tobacco imports were subsequently re-exported. About 98 percent of the re-export went to the United Arab Emirates. Since the new 30-percent tariff will be refunded for re-exported merchandise, this trade should not be affected by the higher tariff.

Rotterdam Prices and E.C. Import Levies:

Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam, the Netherlands, compared with a week earlier and a year ago:

| Item | Jan. 26, 1981 | Change from previous week | A year ago |
|--------------------------------|---------------|---------------------------|------------|
| | \$ per m. ton | \$ per bu. | ¢ per bu. |
| Wheat | | | |
| Canadian No. 1 CWS-13.5%..... | 202.00 | 5.50 | -16 |
| U.S. No. 2 DNS/NS: 14%..... | 205.00 | 5.58 | -11 |
| U.S. No. 2 DHW/HW: 13.5%..... | 199.00 | 5.42 | -8 |
| U.S. No. 2 S.R.W..... | 166.00 | 4.52 | -13 |
| U.S. No. 3 H.A.D..... | 209.00 | 5.69 | +41 |
| Canadian No. 1 A: Durum..... | 225.00 | 6.12 | +32 |
| Feed grains: | | | |
| U.S. No. 3 Yellow Corn..... | 129.50 | 3.29 | -6 |
| U.S. No. 2 Sorghum 2/..... | 144.00 | 3.66 | 0 |
| Feed Barley 3/..... | 1/ | 1/ | 1/ |
| Soybeans: | | | |
| U.S. No. 2 Yellow..... | 260.00 | 7.08 | -20 |
| Argentine 4/..... | 262.00 | 7.13 | -18 |
| U.S. 44% Soybean Meal (M.T.).. | 240.50 | -- | -9.50 |
| EC Import Levies | | | |
| Wheat 6/..... | 88.30 | 2.40 | -1 |
| Barley..... | 68.20 | 1.48 | -14 |
| Corn..... | 98.70 | 2.51 | +13 |
| Sorghum..... | 84.40 | 2.14 | -3 |

1/ Not available.

2/ Optional delivery: U.S. or Argentine Granifero Sorghum.

3/ Optional delivery: Canadian Feed Barley.

4/ Optional delivery: Brazil yellow.

5/ Dollars per metric ton.

6/ Durum has a special levy.

7/ April/May delivery

Note: Basis Feb. delivery.

**UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250**

**OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300**

**POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE**



**AGR 101
FIRST CLASS**

If you no longer need this publication, check here _____ and return this sheet and/or envelope in which it was mailed and your name will be dropped from mailing list.

If your address should be changed _____ **PRINT**
OR TYPE the new address, including ZIP CODE and
return the whole sheet and/or envelope to:

FOREIGN AGRICULTURAL SERVICE, Room 5918 So.
U.S. Department of Agriculture
Washington, D.C. 20250